DEFENSE LOGISTICS AGENCY
THE DEFENSE CONTRACT MANAGEMENT COMMAND
8725 JOHN J. KINGMAN ROAD, SUITE 2533
FT. BELVOIR, VIRGINIA 22060-6221

IN REPLY REFER TO AQ

OCT 0 3 1996

MEMORANDUM FOR THE UNDER SECRETARY OF DEFENSE (ACQUISITION AND TECHNOLOGY)
PRINCIPAL DEPUTY UNDER SECRETARY OF DEFENSE (ACQUISITION & TECHNOLOGY)
DEPUTY UNDER SECRETARY OF DEFENSE (ACQUISITION REFORM)
ASSISTANT SECRETARY OF THE ARMY (RESEARCH DEVELOPMENT & ACQUISITION)
ASSISTANT SECRETARY OF THE NAVY (RESEARCH DEVELOPMENT & ACQUISITION)
ASSISTANT SECRETARY OF THE AIR FORCE (ACQUISITION)

SUBJECT: Single Process Initiative Quarterly Report

As requested in your letter of December 8, 1995, we have prepared the attached quarterly report describing the progress achieved in replacing multiple government-unique management and manufacturing requirements in existing contracts. The report contains an overview of the latest SPI statistics, including instances where estimated annual savings (contractor cost avoidance) and consideration has been identified. Also included is updated information on the following topics: prime and subcontractor relationships, law or regulation changes, communication, canceled specifications and standards, NASA, aging concept papers, and additional SPI issues of which you should be aware.

Overall, I am encouraged by the progress that has been made so far and am committed to continued success in implementing the program. Summary statistics contained in our quarterly report indicate that SPI has taken hold with industry and interest levels remain high. I expect this trend to continue with significant future growth in concept paper receipts over the next several months as the initiative matures. Also noteworthy is most of the completed block changes have addressed fairly "easy to do processes", however, we are beginning to see more complex issues presented in recent concept paper submissions. I believe we are postured to meet this challenge and are committed to ensuring all stakeholders are included in the process.

Should you have any questions or concerns regarding the information contained in the attached documents, please contact Ms. Marialane Schultz, SPI/Block Change Management Team Leader, at (703) 767-2471.

/s/
ROBERT W. DREWES
Major General, USAF
Commander

Attachment
cc: Dr. Kenneth Oscar
Mr. Daniel Porter
Ms. Darleen Druyun
VADM Lockard
VADM Straw
LtGen(Sel) Hallin
Dr. Daniel R. Mulville

Single Process Initiative Quarterly Report
(July 1- September 30, 1996)

Introduction

The Single Process Initiative (SPI) and block change techniques used for modifying existing contracts are proving effective. Although we have had some problems with communication with our customers, and early assignment of component team leaders, we are making significant strides forward. Moreover, we are entering a new phase of the initiative where issues are becoming more complex and participants are becoming more sophisticated in resolving them. This represents an opportunity to address issues that may result in bigger impacts. The following synopsis of SPI activity highlights some of these opportunities and describes progress made during the quarter ending September 30, 1996.

Statistics

We have seen a significant increase in activity since the last quarterly report. We have received 408 concept papers from 111 contractors proposing to modify 479 processes (Appendix A). We have executed modifications with 48 companies modifying 133 processes since the SPI began. Our weekly report dated September 20, 1996, reflected 499 proposed processes in lieu of the 479 currently reported. We overstated the reported amount by 20 processes due to a data entry error. We have corrected this problem to accurately reflect processes received. Below is a comparison of SPI activity from last quarter to the current quarter :

	September 30, 1996	June 30, 1996	% Change
Concept papers received	408	194	110%
Contractors participating	111	69	61%
Proposed processes	479	264	81%
Processes modified	133	57	133%
Companies w/ modifications	48	15	220%

Appendices B-E include summary lists of contractors, proposed processes, and contractors with signed modifications.

Savings/Consideration

DCAA has been reviewing the cost/benefit analysis included in concept papers and has been providing the results to the DCMC administrative contracting officer. Although most of the modifications to date have been no-cost, DCAA's early reports have shown estimated annual savings (contractor cost avoidance) resulting from the proposed processes to be approximately $19 million. Consideration, including the value of goods and services obtained, totals $6 million. Estimated savings is expected to grow as more reports are received from DCAA. These savings, coupled with additional, cumulative savings which may be achieved on future contract awards, are an indication of the benefits fill implementation of the SPI holds for DoD.

Prime and Subcontractor Relationships

Your September 3, 1996 memorandum on Prime and Subcontractor Relationships in the SPI provided needed amplification for dealing with changes for prime contractors who are also subcontractors to other contractors. Yet, industry feedback obtained during the AIAA conference and Strategic Systems Symposium indicates the prime/sub policy memo may not go far enough. As you are aware, during the Strategic Systems Symposium there was a lengthy discussion on the memo. At the conclusion of the discussion, you observed that we still do not have a good solution to the prime/sub issue, and we may need another PAT to review the process. In the interim, we are working on assembling lessons learned and best practices from various management councils. We are also drafting an information sheet covering this issue, and are examining what additional formation or guidance will be needed to assist in implementing SPI in this area. To help facilitate industry interaction, we will be compiling a list of industry SPI focal points to post on our web site.

Despite the problems noted above, we have seen a few successes in this area. Specifically, Lockheed-Martin and Boeing have worked together to implement a common quality system on the F-22. This is the first major subcontract change resulting from SPI implementation. We are very pleased with the teaming this change represents -- industry, customer, DCAA and DCMC representatives of three facilities, Boeing Seattle, Lockheed-Martin Fort Worth, and Lockheed-Martin Marietta; working together, overcoming barriers, and achieving success !

On the other hand, industry still needs to do more to facilitate implementation of SPI in regard to the prime/sub issue. Although there has been numerous conferences, seminars and briefings at industry association events, none of the organizations have established a dedicated SPI office to coordinate industry issues about this initiative. Such offices could disseminate SPI information and training throughout their membership. As a corollary to this idea, prime contractors need to begin arranging conferences with their subcontractors to bring them on-board with the initiative.

Law or Regulation Changes

We have received proposed law or regulation changes from six contractors which would require a change to a law or regulation on 20 processes. Additionally, we are in the process of identifying contractor concept papers that were previously submitted under the DCMC Reinvention Laboratory program in order to process them under SPI. We are also drafting an information sheet to provide more background, including the steps and timeframes it takes to change a law or regulation. We are aware that some contractors are becoming frustrated at what may seem to be a cumbersome process to change or deviate from existing laws or regulations.

Communication

Effective communication is critical to the success of this program. As with any new initiative we have experienced growing pains related to communications with our customers, and, in some cases within my command. We have emphasized the need to communicate early and frequently. Based on the inquiries we have received and feedback from a number of sources, it appears the level of awareness of this process at the working level is quite variable. To improve this situation, we will continue to conduct roadshows, participate in conferences, satellite broadcasts, etc., to get the word out, and continue to keep people focused on the initiative. As an example, we are currently conducting SPI roadshows to provide just-in-time training and assistance to DCMC Field Offices having imminent involvement in SPI at their locations. Roadshow topics include SPI policy and procedures, implementation approaches, common problems, effective solutions, and suggested ways to improve local processing of concept papers.

As an aid to effective communication, we have issued a series of information sheets to facilitate implementation of SPI. These papers share some of the lessons learned to date so that we can build on the successes we have already achieved. To provide easier access to SPI information for the people who need it, we have posted all our reports, information sheets, briefing charts, data bases, POC lists, and other SPI material on our World Wide Web Home Page (http: //www.dcmc.dcrb.dla.mil).

Industry remains very concerned about preventing "old specifications" from creeping into future contracts. They fear this will cause them to revert from the single process agreed to on current contracts. We also continue to receive reports of a lack of sufficient awareness of the single process initiative at working levels within DoD. We have a chartered a government/industry IPT team to explore various communication issues and recommend ways that buying activities can be informed of single processes implemented at contractor facilities. The IPT is in the process of developing recommendations for effectively communicating with buying activities and is scheduled to furnish a report by the end of October.

Canceled Specifications And Standards

The Defense Standards Improvement Council's September 10, 1996 memorandum addresses specifications and standards which have been canceled without replacement and provides needed guidance in this area. The memo states that the Council's cancellation action by itself, does not affect existing contracts and that SPI offers the opportunity for the contractor to take action to eliminate these canceled standards. For process standards canceled without replacement, it is the responsibility of the contractor to re-examine each affected process and determine the correct course of action. When the contractor proposes process changes on existing contracts under the SPI, the Government's contractual role is to review the proposal to ensure that contractor performance and product performance risks are acceptable. We expect issuance of this memorandum to help fuel our expected increase in concept papers and contractors participating in this initiative. To facilitate sharing of information concerning specifications and standards reform, we have established a hotlink on our web page to the "MILSPEC Reform" homepage. In addition, we are in the process of posting the Council's memorandum on our web page.

NASA

Our partnership with NASA on the SPI continues to gain momentum. We know of 68 concept papers submitted that effect NASA contracts from 15 contractors proposing to modify 76 processes (Appendix F). Six contractors have modified 7 processes that effect NASA contracts. To build momentum further in our partnership with NASA, we issued guidance to all DCMC field offices directing them to consider NASA a key customer regardless of NASA's contract(s) value. We directed each DCMC field office to immediately furnish a copy of concept papers which impact NASA contracts to the designated NASA Space Flight Center SPI points of contact (POCs) and invite them to be members of the management council. Finally, members of my SPI Management Team have met with senior management personnel of the Goddard and Marshall Space Flight Centers. Both are active with our DCMC offices and very supportive of the initiative. A visit was made to the Johnson Space Center October 2, 1996.

Aging Concept Papers

We are extremely pleased with the record field offices have achieved in processing concept papers in an average of 111 days-still below the 120 day goal. As the SPI matures, it has become increasingly important to maintain this momentum by identifying aging concept papers and resolving emerging problems early. Some of our local offices and customers have expressed concern about the 120 day time line. While we are mindful of their concerns, we continue to emphasize the urgency of the initiative and that impediments and issues need to be elevated as quickly as possible to avoid delaying implementation of the efficiencies associated with this program.

To ensure we remain on an expedited path, we recently began gathering information on concept papers that are older than 120 days. There are currently 32, not counting proposed law or regulation changes, half of which have modifications that are imminent. For the remaining items, we have developed a strategy for expediting resolution of open issues. We will be placing more emphasis on evaluating DCMC field office SPI reports to identify root causes for concept papers exceeding the 120 day goal. Our initial impressions are slow startups, complex issues, local field offices not using an expedited approach, and component team leaders (CTLs) not having sufficient resources to quickly review/approve, are all causes for processing delays. We are confident that we can address these issues early to achieve continued success in this area.

Other Issues

In our previous quarterly report, we covered a number of important issues. Following is an update on these issues and some new ones of which you should be aware:

a. The DoD IG has performed reviews at a number of facilities which implemented block changes under the auspices of our Reinvention Labs. We believe that the lessons learned from their experiences can be a valuable tool; however, an interim report that was drafted in June still has not been issued. We really need more immediate feedback to ensure the lessons learned are captured in the pending block changes.

b. We are confident that the issues related to the assignment of CTLs have, for the most part, been resolved. The Components have discovered that the amount of work associated with being assigned as a CTL on a process change can be quite significant. The increase in activity is causing potential bottlenecks where program offices are coordinating concept papers at a number of contractors. We are working with them to find ways to assist in facilitating the coordination and communication with the program offices before this issue becomes critical.

c. We have had some problems related to obtaining the involvement of other federal agencies. You and I have written several civilian agencies asking for their support and participation in this initiative. Thus far, NASA is the only agency that has issued official policy guidance supporting SPI. The FAA has indicated that a policy letter detailing their involvement in the initiative will be issued in the near future. At those facilities with both defense and civilian agency business, we need to continue to work to expand civilian agency involvement in order to realize the full benefits of this reform effort.

d. On September 10, an SPI/Block Change Management Team offsite meeting was conducted to establish a strategy for the future of SPI. We focused on 3 areas: (1) the role of the local management councils, (2) the role of the SPI/Block Change Management Team, and (3) the future of SPI. We plan to use the results of the offsite to develop a business plan for the next 6-12 months of SPI implementation. We will provide you with a draft plan by the end of October.

Conclusion

Top down involvement, constant communications, and effective teaming are the most critical factors ensuring the success of this initiative. The responsibilities of the Administrative Contracting Officers and the CTLs require the full dedicated support of everyone on the management councils and at all levels of DoD. The 120-day streamlined process is proving to be tough to achieve and we cannot afford to waste time. Together, we have made significant progress in the transition away from Government-unique management and manufacturing requirements. This is evidence that SPI is a critical component of acquisition reform, *and it's working!* We, along with our partners in industry, the services, NASA, and DCAA, are succeeding and we will continue to succeed.

Appendix Index

SPI Information sheets

96-1 What is the Single Process Initiative

96-2 Guidelines for Preparing a Concept Paper

96-3 Consideration: Applying it to the Single Process Initiative

96-4 SPI + Joint Logistics Commanders' Acquisition Pollution Prevention Initiative = Savings

96-5 The Role of the Management Council in the Single Process Initiative

96-6 The Role of the Component Team Leader in the Single Process Initiative

96-7 SPI and the Modification Process

96-8 NASA and SPI

96-9 FASA and SPI

NASA Quarterly Report Executive Summary

This summary provides status on those contractors where NASA is a major customer. As our NASA Summary Report shows, we know of 15 contractors who have submitted 76 concept papers that influence NASA contracts. We suspect there are more, but the current database needs enhancements to more accurately identify NASA SPI activity. To correct this, we are in the process of modifying the database to make it easier to track SPI status from a NASA perspective. In addition, Major General Drewes, Commander DCMC, recently issued policy to DCMC field activities directing them to identify NASA as a major customer for any concepts papers where NASA contracts are involved.

The kinds of concept papers submitted and issues being generated at NASA contractor locations appear to be the same as those found elsewhere. Almost all 15 NASA contractors have submitted concept papers dealing with converting quality control systems to meet ISO 9000 standards. For example, TRW, Redondo Beach is proposing a standard product assurance plan for spacecraft and space systems flight hardware. Most concept papers are directed towards changing manufacturing processes such as soldering and parts control; however, changes to business areas such as property administration, data rights, and cost/schedule reporting are also being considered.

The biggest problem we have is getting the word out about SPI and making sure all NASA customers are kept in the loop. We have provided SPI awareness briefings at several NASA Space centers and plan to do more. We hope these briefings and our increased Command emphasis on tracking NASA as a special customer will help to alleviate this concern.

Summary Report

(as of October 02, 1996)

Concept Papers

Number Of Contractors with Concept Papers:	111
Key Customer Notification Complete:	97
Component Team Leaders Identified:	78
Number of Concept Papers Received:	408
Concept Papers Withdrawn:	52

Concept papers may contain multiple processes

PROCESSES

Proposal evelopment - ncept Paper - (30 Days)

Total Proposed Process Changes:	479
Number Initially Accepted :	391
Not Accepted Within 30 Days:	80

proval Cycle - Customer tification and Agreement - Resolution of Differences - (60 days)

Found Technically Acceptable:	117
Found Unacceptable:	24

Components objecting

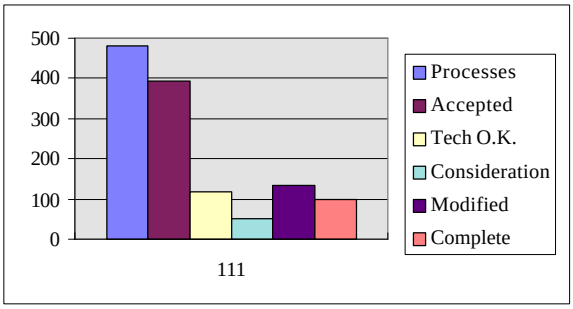
AF	Army	Navy	DLA	DCMC
7	4	7	0	13

Disagreements/Problems Escalated:	1
Not approved within 60 days:	98

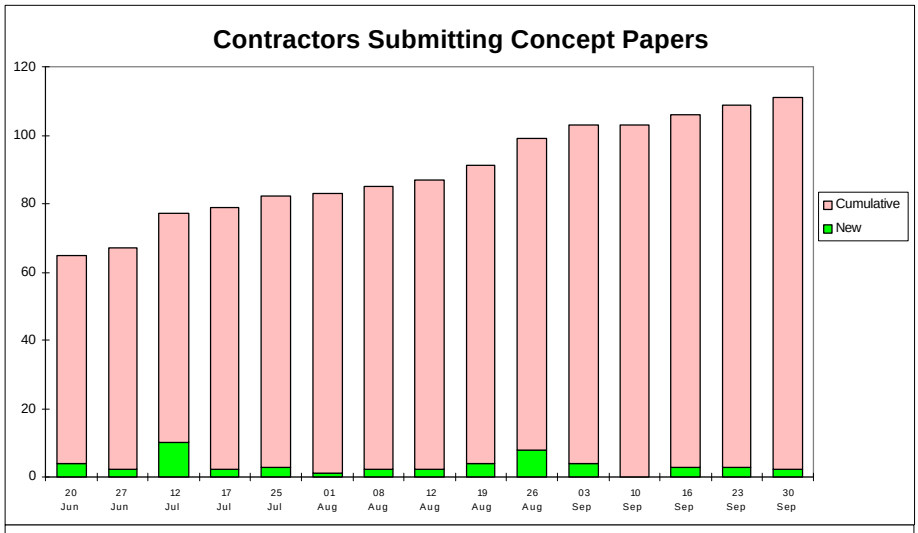
odification ssuance - gotiation of nsideration (30 Days)

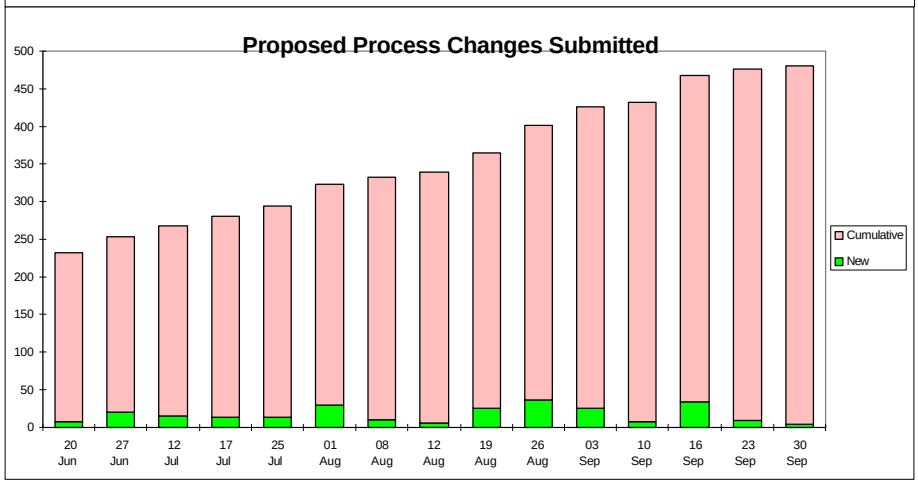
Processes Modified:	133
All Actions Complete:	100
Not Modified within 30 days:	22

Consideration Requested by Government:	51
Cost Proposals Received:	37
Consideration Finalized:	16
Average Days From Submittal to Mod:	111
Currently Active:	322

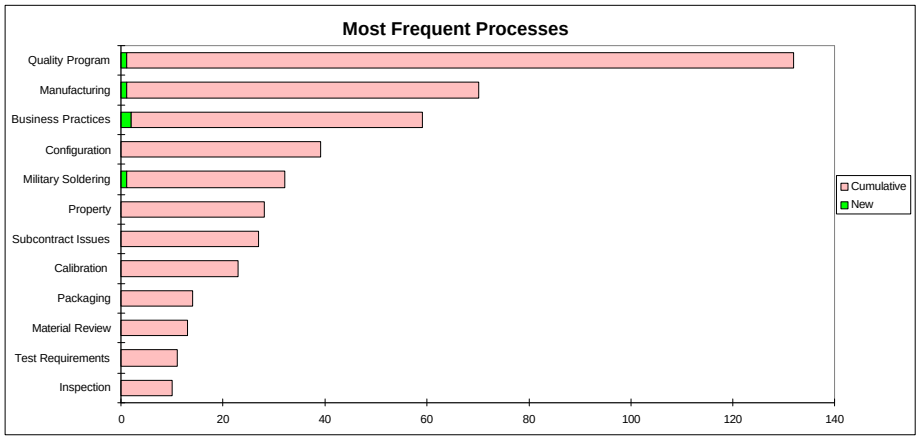


App A


Contractors Submitting Concept Papers
120
100
80
60
40
20
0
20 Jun
27 Jun
12 Jul
17 Jul
25 Jul
01 Aug
08 Aug
12 Aug
19 Aug
26 Aug
03 Sep
10 Sep
16 Sep
23 Sep
30 Sep
Cumulative
New


Proposed Process Changes Submitted
500
450
400
350
300
250
200
150
100
50
0
20 Jun
27 Jun
12 Jul
17 Jul
25 Jul
01 Aug
08 Aug
12 Aug
19 Aug
26 Aug
03 Sep
10 Sep
16 Sep
23 Sep
30 Sep
Cumulative
New

App B


Most Frequent Processes
Quality Program
Manufacturing
Business Practices
Configuration
Military Soldering
Property
Subcontract Issues
Calibration
Packaging
Material Review
Test Requirements
Inspection
0
20
40
60
80
100
120
140
Cumulative
New

App B (Cont)

Contractors in Program 02-Oct 96

Name/Location of Contractor	CAO	Concept Papers
AAI Corporation, Hunt Valley, MD	DCMC Baltimore	8
AAI SMI (AAI Systems Management Incorporated, a subsidiary of AAI Corp	DCMC Baltimore	1
AeroThrust Corporation, Miami, FL	DCMC Orlando	1
Allied Signal Aerospace Equipment Systems, Torrence, CA	DCMC Santa Ana - Downey	1
Allied Signal Avionics, St Louis	DCMC St Louis	1
Allied Signal Engines, Phoenix, AZ	DCMC Phoenix - Scottsdal	2
Allied Signal Inc., Aircraft Landing Systems	DCMC Indianapolis - South Bend	1
AlliedSignal Equipment, Tempe, AZ	DCMC Phoenix-Scottsdal	1
Allison Engine Company, Indianapolis, IN	DCMC Indianapolis	3
Allison Transmission Division, Indianapolis, IN	DCMC Indianapolis, Allison Transmission	1
AM General, Corp., South Bend, IN	DCMC Indianapolis	2
Argo-Tech Corporation	DCMC Cleveland	1
Avtron Manufacturing, Inc, Cleveland, OH	DCMC Cleveland	1
Bell Helicopter Textron	DCMC Bell Helicopter	6
BF Goodrich Landing Gear, Cleveland, OH	DCMC Cleveland	2
Boeing Defense & Space Group Helicopters Division, Philadelphia, PA	DCMC Boeing Helicopters	6

Contractors in Program 02-Oct 96

Name/Location of Contractor	CAO	Concept Papers
Boeing Defense & Space Group, Product Support Division, Wichita, KS	DCMC Wichita	6
Boeing Defense & Space Group, Seattle, WA	DCMC Boeing Seattle	6
Chrysler Technologies Airborne Systems, Waco, TX	DCMC Dallas - Arlington	2
Computing Devices International, Bloomington, MN	DCMC Twin Cities	2
Conval Inc., Somers, CT	DCMC Hartford	1
Eaton Corp. AIL Systems, Deer Park, NY	DCMC Long Island	2
EFW, Inc., Ft. Worth, TX	DCMC Dallas - Ft. Worth	1
Engineering Air Systems, Inc (EASI), St Louis, MO	DCMC St Louis	1
ESAB Group, Inc.,	DCMC Cleveland	1
Ferrotherm Company, Inc	DCMC Cleveland	1
G.E. Aircraft Engines, Cincinnati, OH & Lynn, MA	DCMC GE Aircraft Engines - Cincinnati, OH & Lynn, MA	14
Garlock Corp	DCMC Syracuse	1

App C (Cont)

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Contractors in Program 02-Oct 96

Name/Location of Contractor	CAO	Concept Papers

GEC-Marconi Avionics, LTD., Rochester, England	DCMC United Kingdom-Rochester	1
GEC-Marconi Sensors LTD, Basildon, Englan	DCMC United Kingdom - Rochester	1
GEC-Marconi, New Jersey	DCMC Springfield	6
General Dynamics Land Systems, Tallahassee, FL	DCMC Clearwater	1
General Dynamics Land Systems, Warren, MI; Lima, OH, Scranton, PA	DCMC Detroit	7
Golden Mfg. Co., Inc., Golden, MS	DCMC Birmingham	1
Group Technologies Corp., Tampa FL	DCMC Clearwater	1
Grumman Aerospace Corp., Great River, NY	DCMC Grumman Bethpage	1
Guardian Manufacturing Company	DCMC Cleveland	1
Hamilton Standard Division of UTC, Windor Locks, CT	DCMC Hamilton Standard	8
Harris Electronic Systems Sector (ESS), Palm Bay, FL	DCMC Orlando	1
Honeywell, Inc., Albuquerque, NM	DCMC Phoenix - Albuquerque	1
Hughes Aircraft Company - Electro-Optical Systems, Los Angeles, CA	DCMC Hughes - Los Angeles	4
Hughes Aircraft Company - Radar Communications Systems	DCMC Hughes Los Angeles	1
Hughes Aircraft Company - Space & Communications Company, El Segundo,	DCMC Hughes Los Angeles	2
Hughes Dansbury Optical Systems, Danbury, CT	DCMC Stratford, Stratford, CT	1

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Contractors in Program 02-Oct 96

Name/Location of Contractor	**CAO**	**Concept Papers**
Hughes Missile Systems Company, Tucson AZ	DCMC Hughes - Tucson	24
Hughes Training Inc., Herndon, VA	DCMC Baltimore	1
Hughes, Radar & Communications Systems,	DCMC Hughes - LA	1

El Segundo, CA		
ITT Aerospace/Communications Division, Fort Wayne, IN	DCMC Indianapolis - ITT	5
ITT Avionics, Clifton, NJ	DCMC Springfield	6
ITT Defense & Electronics, Van Nuys, CA	DCMC Van Nuys - Woodland Hills	5
ITT Night Vision, Roanoke, VA	DCMC Baltimore	2
Litton, Data Systems Division, Van Nuys, CA	DCMC Van Nuys	1
Litton, Guidance & Control Systems Division, Van Nuys	DCMC Van Nuys	1
Lockheed Martin Aeronautical Systems, Marietta, GA	DCMC Lockheed Martin Marietta	2
Lockheed Martin Aeronutronic, Santa Margarita, CA	DCMC Santa Ana - Lockheed Martin Aeronutronic - Rancho Santa	2
Lockheed Martin Astronautics, Denver, CO	DCMC Lockheed Martin Astronautics Denver	11
Lockheed Martin Defense Systems (LMDS),Pittsfield	DCMC Lockheed Martin Pittsfield	4
Lockheed Martin Missiles & Space/Sunnyvale	DCMC LOCKHEED MARTIN SUNNYVALY	4
Lockheed Martin Tactical Aircraft Systems, Ft. Worth	DCMC Lockheed Martin Fort Worth	7

App C (Cont)

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Contractors in Program 02-Oct 96

Name/Location of Contractor	CAO	Concept Papers
Lockheed Martin Tactical Communications Systems, Salt Lake City	DCMC Denver - Utah	1
Lockheed Martin Vought Systems, Dallas, TX	DCMC Lockheed Martin Vought Systems	6
Lockheed Martin Western Development Labs, San Jose, CA	DCMC San Francisco	1
Lockheed Martin, Electronics and	DCMC Lockheed Martin, Orlando	11

Missiles, Orlando		
Lockheed Martin, Govt. Comm. Sys., Camden, NJ	DCMC Lockheed Martin - Delaware Valley	3
Lockheed Martin, Govt. Elect. Sys., Moorestown, NJ	DCMC Lockheed Martin - Delaware Valley	17
Lockheed Martin, Johnson City, NY	DCMC Syracuse	7
Lockheed Martin, Sanders, Nashua, NH	DCMC Lockheed Martin Sanders	2
Lockheed Martin, Syracuse, NY	DCMC Syracuse	4
Loral Federal Systems Division-Owego, Owego, NY	DCMC Loral Owego	3
Magnavox Electronic Systems Company, Ft. Wayne, IN	DCMC Indianapolis-Magnavox	2
McDonnell Douglas Aerospace, Huntington Beach, CA	DCMC McDonnell Douglas - Huntington Beach	1
McDonnell Douglas Corporation, St. Louis, MO	DCMC McDonnell Douglas - St. Louis	7
McDonnell Douglas Helicopter Systems, Mesa, AZ	DCMC Phoenix - McDonnell Douglas - Mesa	3
Motorola, Scottsdale, AZ	DCMC Phoenix - Scottsdale	4
National Airmotive Corporation, Oakland, CA	DCMC San Francisco	1

App C (Cont)

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Contractors in Program 02-Oct 96

Name/Location of Contractor	CAO	Concept Papers
Northern EMF	DCMC Denver	1
Northrop Grumman Electronic Warfare Systems	DCMC Chicago	1
Northrop Grumman Vought Aircraft, Dallas, TX	DCMC Dallas - Northrop Grumman	1
Northrop Grumman, DSSD, Hawthorne, CA	DCMC Northrop Grumman - Hawthorne, CA	1

Northrop Grumman, ESID, Hawthorne, CA	DCMC Northrop Grumman - Hawthorne	4
Northrop Grumman, MASD, Hawthorne, CA	DCMC Northrop Grumman - Hawthorne, CA	8
Olin Ordnance, St. Petersburg, FL	DCMC Clearwater	1
Oshkosh Truck, Oshkosh, WI	DCMC Chicago - Milwaukee	3
Pemco Aeroplex, Inc., Birmingham, AL	DCMC Pemco Aeroplex	1
Pratt & Whitney Overhaul & Repair Europe B.V, The Netherlands	DCMAO Brussels	1
Pratt & Whitney W Palm Beach & P&W, East Hartford, CT	DCMC Pratt & Whit, W Palm Beach & DCMC P&W East Hartford CT	6
Praxair, Inc.	DCMC Stratford	1
Raytheon - Massachusetts	DCMC Raytheon	2
Raytheon Aircraft Company (RAC), Wichita, KS	DCMC Wichita	2
Rockwell - Collins Avionics and Communications Div., Cedar Rapids, IA	DCMC Twin Cities - Rockwell - Cedar Rapids	6
Rockwell Autonetics & Missile Systems Division	DCMC Santa Ana - Rockwell	3

App C (Cont)

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Contractors in Program 02-Oct 96

Name/Location of Contractor	CAO	Concept Papers
Rockwell International Corporation, Duluth, GA	DCMC Atlanta - Rockwell Duluth	3
Rockwell International, Communication Systems Division	DCMC Dallas - Rockwell International	4
Rockwell International, Rocketdyne Division	DCMC Rockwell Canoga Park	2
Rockwell North American Aircraft Division	DCMC Santa Ana - Rockwell	3
Rockwell North American Aircraft Modification Division	DCMC Santa Ana - Rockwell	1
Rockwell Space Systems Division	DCMC Santa Ana - Rockwell	2

Santa Barbara Research Centr	DCMC Van Nuys - Goleta	2
SCI Systems, Inc. Huntsville, AL	DCMC Birmingham	1
Sikorsky Aircraft Corporation, Stratford, CT	DCMC Sikorsky Aircraft	2
Snap-Tite Inc.	DCMC Cleveland	1
Solidyne	DCMC San Diego	1
Talley Defense Systems, Inc., Mesa, AZ	DCMC Phoenix - Arizona Medium Team	2
Texas Instruments - Dallas TX	DCMC Texas Instruments	2
Textron Systems Division, Wilimington, MA	DCMC Boston-Textron Systems Division	5
Trescomp, Quincy, IL	DCMC St. Louis	1
TRW, Redondo Beach, CA	DCMC Van Nuys - TRW	2
United Defense LP, Armament Systems Division	DCMC Twin Cities - Minneapolis	3

App C (Cont)

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Contractors in Program 02-Oct 96

Name/Location of Contractor	CAO	Concept Papers
United Defense LP, Ground Systems Div. York, PA	DCMC UDLP, York PA	11
Westinghouse Electric Corporation, Baltimore, MD	DCMC Westinghouse Electric Corporation - Baltimore	2
Wisconsin Ordinance Works, LTD, Winnebago, WI	DCMC Chicago - Milwaukee	1

Contractors with Signed Mods/Count of Processes Modified

02-Oct-96

Name/Location of Contractor	**Processes Modified**
Texas Instruments - Dallas TX	20
Raytheon - Massachusetts	11
United Defense LP, Ground Systems Div. York, PA	9
General Dynamics Land Systems, Warren, MI; Lima, OH, Scranton, PA	7
Hughes Missile Systems Company, Tucson AZ	5
Lockheed Martin, Electronics and Missiles, Orlando	5
Loral Federal Systems Division-Owego, Owego, NY	5
Lockheed Martin Tactical Aircraft Systems, Ft. Worth	5
G.E. Aircraft Engines, Cincinnati, OH & Lynn, MA	4
ITT Defense & Electronics, Van Nuys, CA	4
Lockheed Martin, Johnson City, NY	4

Northrop Grumman Vought Aircraft, Dallas, TX	4
Rockwell - Collins Avionics and Communications Div., Cedar Rapids, IA	4
AAI Corporation, Hunt Valley, MD	3
Lockheed Martin, Syracuse, NY	3
ITT Avionics, Clifton, NJ	2
ITT Night Vision, Roanoke, VA	2
Magnavox Electronic Systems Company, Ft. Wayne, IN	2
Eaton Corp. AIL Systems, Deer Park, NY	2
Computing Devices International, Bloomington, MN	2
Sikorsky Aircraft Corporation, Stratford, CT	2
Chrysler Technologies Airborne Systems, Waco, TX	1

Name/Location of Contractor	Processes Modified
Group Technologies Corp., Tampa FL	1
Boeing Defense & Space Group, Product Support Division, Wichita, KS	2
Conval Inc., Somers, CT	1
Boeing Defense & Space Group, Seattle, WA	1
ITT Aerospace/Communications Division, Fort Wayne, IN	1
Allison Transmission Division, Indianapolis, IN	1
Allied Signal Engines, Phoenix, AZ	1
Ferrotherm Company, Inc	1
Northrop Grumman Electronic Warfare Systems	1
TRW, Redondo Beach, CA	1
Trescomp, Quincy, ILL	1
Talley Defense Systems, Inc., Mesa, AZ	1
Rockwell International, Communication Systems Division	1
Raytheon Aircraft Company (RAC), Wichita, KS	1
Lockheed Martin Vought Systems, Dallas, TX	1

Northrop Grumman, ESID, Hawthorne, CA	1
Lockheed Martin Aeronautical Systems, Marietta, GA	1
Motorola, Scottsdale, AZ	1
McDonnell Douglas Helicopter Systems, Mesa, AZ	1
Lockheed Martin, Govt. Elect. Sys., Moorestown, NJ	1
Lockheed Martin, Govt. Comm. Sys., Camden, NJ	1
Wisconsin Ordinance Works, LTD, Winnebago, WI	1
Lockheed Martin Western Development Labs, San Jose, CA	1

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Name/Location of Contractor	**Processes Modified**
Lockheed Martin Defense Systems (LMDS),Pittsfield	1
Lockheed Martin Aeronutronic, Santa Margarita, CA	1
Oshkosh Truck, Oshkosh, WI	1
Total Processes Modified	**133**

Types of Process Changes as of October 2, 1996

Type	Count	Typical Proposed Process	Typical Mil/Rqm
Quality	132	ISO 9000	MIL-Q-9858A
Manufacturing	68	JEDC JESD42- Electrostatic Discharge	MIL-STD-1686
Business	59	Contractor Process - Work Measurement	MIL-STD-1567A
Configuration	39	Make 2nd & 3rd tier Specs and Stds guidance only. apply at all tiers	Military Specs/STDS
Soldering	32	Solder Assembly, ASNI/J-STD-001a	MIL-STD-2000 & 200A
Property	28	Rent free use GFP	Utilization charges for
Subcontracts	27	Contractor Process - Supplier Quality	MIL-STD-1535
Calibration	23	Contractor Process - Calibration	MIL-STD-45662
Packaging	14	Contractor process on Packaging, Handling, Storage.	MIL-STD-1367A
MRB	13	Contractor Process - MRB	MIL-STD-1520
Testing	11	Contractor Process requirements	Current Tech Data test
Inspection	10	Factory Test Reductions 5024, CMP PUB 4855/5,	MIL-STD-1519, OD WS10823
Software	9	Contractor Process based on DoD-STD-2167A	Military Software Development Specs/STDs
CDR	7	CPR at 3 or higher/Tailor variance analysis to top 5 issues	Cost Performance Report
Environmental	4	NAS 411, Hazardous Materials Management Program regulations and orders	20 different national, DOD, Army, Navyy & Executive

Logistics	3	Contractor Integrated Logistics Support	ILS Requirements

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NASA Summary Report

(as of October 02, 1996)

Concept Papers

Number Of Contractors with Concept Papers:	**15**
Key Customer Notification Complete:	14
Component Team Leaders Identified:	10
Number of Concept Papers Received:	68
Concept Papers Withdrawn:	11

Concept papers may contain multiple processes

Proposal evelopment - ncept Paper - (30 Days)

Total Proposed Process Changes:	**76**
Number Initially Accepted :	59
Not Accepted Within 30 Days:	16
Found Technically Acceptable:	6
Found Unacceptable:	4

proval Cycle - Customer tification and Agreement - Resolution of Differences - (60 days)

Components objecting

AF	Army	Navy	DLA	DCMC	NASA
0	0	0	0	4	0

Disagreements/Problems Escalated:	0
Not approved within 60 days:	18

odification ssuance - gotiation of nsideration (30 Days)

Processes Modified:	7
All Actions Complete:	6
Not Modified within 30 days:	1
Consideration Requested by Government:	15
Cost Proposals Received:	0
Consideration Finalized:	0
Average Days From Submittal to Mod:	103
Currently Active:	**65**

PROCESSES